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31 October 1962

COMPTROLLER INSTRUCTION NO. 99 (Revised)

SUBJECT : General - Payment of Bills for Supplies and/or Services from  
Commercial Vendors

Specific- Administrative Adjustment of Minor Errors In Computation,  
Extension or Addition and Other Billing Discrepancies

RECISION : Comptroller Instruction No. 99 dated 25 June 1962  
(Asterisks indicate paragraphs revised)

1. PURPOSE

a. This Instruction provides policy and procedures relating to payment  
of billings from suppliers for:

- (1) Material and/or services when the billings include errors  
of computation, extension, or footing of \$10 or less or  
various other discrepancies; and
- (2) Prepaid freight charges of less than \$25 which are not sup-  
ported by prepaid freight bills.

2. POLICY

a. Errors in Computation, Extension, or Addition

- (1) In accordance with the authority contained in Comptroller General  
Decision B-131105, Page 769, Volume 36, dated May 13, 1957, in-  
voices received from vendors which are found to be incorrect due  
to minor errors of computation, extension, or addition not in  
excess of \$10 per invoice may be adjusted upward or downward  
without having the invoice amended by the vendor.
- (2) Discrepancies between quantities received and quantities billed  
will not be considered as mathematical errors and payment will  
be based upon actual quantity received whether or not the  
quantity received is accepted as a complete shipment.

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DOCUMENT NO. \_\_\_\_\_  
NO CHANGE IN CLASS. ☐  
☐ DECLASSIFIED  
CLASS. CHANGED TO: TS S ☒ 2012  
NEXT REVIEW DATE: \_\_\_\_\_  
AUTH: HR 70-2  
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GROUP 1 Excluded from automatic downgrading and declassification
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b. Unsupported Prepaid Freight Charges

In accordance with General Services Administration Circular No. 145, dated 22 October 1957, prepaid freight (including express) charges shown as a separate item on a contractor's invoice but not supported by a paid freight bill may be paid when the amount of the freight charge claimed appears to be reasonable and is less than \$25.

3. PROCEDURE

a. Processing of Invoices Reflecting Mathematical Errors

- (1) Invoices received which are found to be incorrect due to minor errors of computation, extension, or addition not in excess of \$10 per invoice may be adjusted upward or downward without having the invoice amended by the vendor, and payment shall be effected for the adjusted amount of the invoice.
- (2) When errors in excess of \$10 are disclosed on invoices, a Form 168, Administrative Audit Difference Statement, shall be prepared. The original of Form 168 shall be forwarded to the vendor with the payment in order that the error may be explained or, if necessary, corrected.
- (3) Invoices will not be adjusted for errors in computation or extension when:
  - (a) A vendor habitually submits erroneous claims, or
  - (b) A vendor submits several erroneous claims which individually are not in excess of \$10 but in aggregate exceed \$10. In such cases a single Form 168 shall be prepared covering all differences.

b. Processing of Invoices Reflecting Unsupported Transportation Charges

- (1) Where prepaid freight (including express) is charged as a separate item on a contractor's invoice and the charge appears to be reasonable but is not supported by the paid freight bill, payment may be made for such charges provided the amount claimed for freight charges is less than \$25.

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- \* (2) Where prepaid freight (including express) for more than \$25 is charged as a separate item on a contractor's invoice but is not supported by a paid freight bill action shall be taken to effect payment for the value of the property received and to establish an accounts payable for the amount of the unpaid and unsupported freight charges. A Form 168, Administrative Audit Difference Statement, shall be prepared and the vendor notified accordingly. The action to be taken by Finance and Fiscal Divisions for such procedures is as follows:

(a) Finance Division

1. Debit : 303.3 - Accounts Payable - Property Procured at Headquarters from Commercial Vendors (For the cost of property received).

Credit: Cash

Debit : 601 - Direct Allotment Costs (For the amount of the unsupported freight bill).

Credit: 303.9 - Accounts Payable - Other (For the amount of the unsupported freight bill).

2. Upon receipt of the supporting documentation from the vendor action shall be taken to reimburse the vendor for the prepaid freight charges and to record such payment as follows:

Debit : 303.9 - Accounts Payable - Other

Credit: Cash

(b) Fiscal Division

1. Debit : 535 - Expenditures from Overt Allotments for Property (For the cost of property received)

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Credit: 106 - Disbursing Funds - All Agency Activities [REDACTED] (Symbol 25X1A 20x6549)

Payment of the unsupported transportation charges will be suspended and copies of the Form 168 sent to vendors will be retained in a follow-up file.

2. Upon receipt of the supporting documentation from the vendor the copy of the Form 168 retained in the follow-up file will be withdrawn and action taken to reimburse the vendor for the prepaid freight charges. The payment shall be recorded as follows:

Debit : 535 - Expenditures from Overt Allotments for Property

Credit: 106 - Disbursing Funds - All Agency Activities [REDACTED] (Symbol 25X1A 20x6549).

The invoice for the transportation charges supporting the entry to account 535 shall be annotated to reflect the number of the Receiving Report on which the property was received and the Bureau Schedule No. on which payment for the property was reflected.

c. Processing of Invoices Which Reflect Various Other Discrepancies

- (1) In instances where invoices from vendors represent duplicate or erroneous billings, such invoices shall be referred to the office having liaison with the vendor and payment shall be withheld pending clarification by the vendor.
- (2) When invoices from vendors are received before the related receiving reports arrive from the Office of Logistics, request the Office of Logistics to provide the necessary receiving reports. In the event that the Office of Logistics advises that the property for which billed has not been received, notify the vendor as provided in paragraph 3c (1), above. The action required by this paragraph should be taken promptly whenever discounts are involved; in other cases reasonable time shall be allowed to permit normal document processing.

[REDACTED] 25X1A

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Deputy Comptroller

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